

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3934-02  
BILL NO.: Truly Agreed to and Finally Passed SCS for HB 1604  
SUBJECT: Easements and Conveyances  
TYPE: Original  
DATE: May 5, 2000

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	\$906,469	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$906,469</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>(\$737,295)</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

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**FISCAL ANALYSIS**

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ASSUMPTION

**Oversight** has included information obtained for various individual proposals combined in this legislation as summarized below.

Conveyance of Property Owned by the Department of Mental Health to the Nevada R-V School District

Officials from the **Department of Mental Health (DMH)** stated consideration for the conveyance is not known. Revenue would be returned to General Revenue as the proposal is written. Although the actual description must be confirmed, the DMH assumes the description will not interfere with program needs of the Department. Thus, the DMH anticipates no fiscal impact as a result of this proposal.

Officials from the **Office of Administration - Division of Design and Construction** stated the land and building is valued at \$737,295 per the Land and Buildings System. **Oversight** assumes a value approximating this cost will be negotiated between the state and the Nevada R-V School District.

Conveyance of Property in St. Francois County to the State Highway and Transportation Commission

Officials of the **Department of Transportation (MoDOT)** assume the proposal would have no fiscal impact to the department. In response to identical legislation in the prior session, MoDOT officials assumed that the proposal would authorize the governor to convey to the state highway and transportation commission (MHTC) property that is currently part of a maintenance site in St. Francois County. Officials note that in 1972 the property was deeded to MHTC by the Department of Health and Welfare with reversionary rights. Under the Omnibus State Reorganization Act of 1974, the fee title to the property was vested in the governor on May 2, 1974. Under section 37.005.10, RSMo, the governor may not convey title to any such property unless the conveyance is first authorized by an act of the general assembly. The proposal would allow such a conveyance to occur. Therefore, MoDOT officials assume the proposal would have no fiscal impact.

**Oversight** assumes that since the property is currently state property and would remain state property, there would be no fiscal impact to state funds.

ASSUMPTION (continued)

Conveyance of Property From Mexico Veterans Home to Mexico Optimist Club

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Officials from the **Office of Administration - Division of Design and Construction (D&C)** estimated the value of the property at \$11,487, based on the approximate value of \$3,500 per acre, as provided by the Audrain County Assessor's Office (3.282 acres x \$3,500).

Conveyance of Property by Southwest Missouri State University

Officials from the **Attorney's General's Office** assume costs could be absorbed with existing resources.

Officials from the **Greene County Assessor's Office** state the property is an abandoned alley which has no value by itself.

Officials from **Southwest Missouri State University** assume they would sell the property. The value of the property is approximately \$7,362.50 per tract. Therefore, the value of the two tracts would approximate \$14,725. Because this revenue would not go to state funds, **Oversight** has not shown a fiscal impact to the state.

Conveyance of Property by Missouri Western State College

Officials from the **Office of Administration, Department of Transportation, and Missouri Western State College** assume the proposed legislation would have no fiscal impact on their agencies.

In response to a similar proposal, officials from the **City of St. Joseph** and the **Office of the Adjutant General - Missouri National Guard** assumed the proposed legislation would have no fiscal impact on their agency.

Officials from the **Office of Attorney General** assume the costs of the proposed legislation could be absorbed with existing resources.

ASSUMPTION (continued)

Conveyance of Property Owned by the Department of Mental Health in Buchanan County

Officials from the **Department of Mental Health (DMH)** stated consideration for the conveyance is not known. Revenue would be returned to General Revenue as the proposal is

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written. Although the actual description must be confirmed, the DMH assumes the description will not interfere with program needs of the Department. Thus, the DMH anticipates no fiscal impact as a result of this proposal.

Officials of the **Office of Administration - Division of Design and Construction** assume that the property's value as provided by the Buchanan County Assessor's office would approximate \$157,687, based on a value per acre of \$43,560 for 3.62 acres.

**Total fiscal impact to state funds is an estimated increase in general revenue of \$906,469.**

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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**GENERAL REVENUE FUND**

Income

Conveyance of Property	<u><b>\$906,469</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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**LOCAL GOVERNMENT FUNDS -  
NEVADA R-V SCHOOL DISTRICT**

Costs

Payment for Land and Building	<u><b>(\$737,295)</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposal provides for the conveyance of certain properties as noted below:

This proposal conveys .91 acres of property and a storage building owned by the Department of Mental Health at the Nevada Habilitation Center to the Nevada R-V School District.

The proposal would authorize the governor to convey certain property in St. Francois County to

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the state highway and transportation commission.

This act authorizes the conveyance of approximately three acres from the Mexico Veterans Home to the Mexico Optimist Club.

The proposal would authorize the Board of Governors of Southwest Missouri State University to convey two tracts of property.

The proposed legislation authorizes the Governor and the Board of Regents of Missouri Western State College to transfer land located in Buchanan County to the State Highways and Transportation Commission. It would authorize the Governor to bargain, sell and convey land located in Buchanan County which is currently part of the Department of Mental Health. It also specifies that consideration shall be negotiated by the Office of Administration and interested parties.

Certain sections contain an emergency clause.

The proposal would increase total state revenues.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

Department of Mental Health  
Office of Administration - Division of Design and Construction  
Office of Attorney General  
Department of Transportation  
Department of Public Safety - Office of the Adjutant General, Missouri National Guard

#### SOURCES OF INFORMATION (continued)

Missouri Western State College  
City of St. Joseph  
Southwest Missouri State University  
Greene County Assessor

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A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large, looped initial "J" and a cursive "Jarrett".

Jeanne Jarrett, CPA

Director

May 5, 2000